

BST Subtotals C Orders	240849	80112	7833	5003	4334	1401	4290
% of Total Orders	70.05	23.3	2.28	1.46	1.26	0.41	1.25
% of Total Orders - Cumulative	70.05	93.35	95.63	97.08	98.34	98.75	100
SC Business Dispatched	Same Day	1	2	3	4	5	>5
LCSC C Orders	3	5	5	3	1	4	3
% of Total Orders	12.5	20.83	20.83	12.5	4.17	16.67	12.5
% of Total Orders - Cumulative	12.5	33.33	54.17	66.67	70.83	87.5	100
BST C Orders	49	53	98	200	57	302	287
% of Total Orders	4.68	5.07	9.37	19.12	5.45	28.87	27.44
% of Total Orders - Cumulative	4.68	9.75	19.12	38.24	43.69	72.56	100
BST Business Dispatched							
LCSC Subtotals C Orders	59	69	63	64	42	42	197
% of Total Orders	11.01	12.87	11.75	11.94	7.84	7.84	36.75
% of Total Orders - Cumulative	11.01	23.88	35.63	47.57	55.41	63.25	100
BST Subtotals C Orders	1523	3635	4815	2552	2594	2413	5868
% of Total Orders	6.51	15.54	20.58	10.91	11.09	10.31	25.07
% of Total Orders - Cumulative	6.51	22.04	42.62	53.53	64.62	74.93	100
Total Residential LCSC C Orders	6631	4252	916	837	174	75	41
% of Total Orders	49.85	31.97	6.89	6.29	1.31	0.56	3.1
% of Total Orders - Cumulative	49.85	81.82	88.71	95	96.31	96.87	100
Total Residential BST C Orders	1553472	838036	71028	104361	26982	7929	3493
% of Total Orders	58.92	31.78	2.69	3.96	1.02	0.3	1.3
% of Total Orders - Cumulative	58.92	90.7	93.39	97.35	98.37	98.68	100
Total Business LCSC C Orders	1752	1426	968	172	116	63	26
% of Total Orders	36.83	29.98	20.35	3.62	2.44	1.32	5.4
% of Total Orders - Cumulative	36.83	66.81	87.16	90.77	93.21	94.53	100

Total Business BST Orders	C	242372	83747	12648	7555	6928	3814	10
% of Total Orders		66	22.81	3.44	2.06	1.89	1.04	2.77
% of Total Orders - Cumulative		66	88.81	92.25	94.31	96.2	97.23	100
		Same Day	1	2	3	4	5	>5
SC Residential								
Non-Dispatched								
LCSC N Orders		24	23	18	212	219	153	410
% of Total Orders		2.27	2.17	1.7	20.02	20.68	14.45	38.72
% of Total Orders - Cumulative		2.27	4.44	6.14	26.16	46.84	61.28	100
BST N Orders		7536	2179	482	445	378	114	987
% of Total Orders		62.17	17.98	3.98	3.67	3.12	0.94	8.14
% of Total Orders - Cumulative		62.17	80.15	84.13	87.8	90.92	91.86	100
BST Residential Non-Dispatched								
LCSC Subtotals N Orders		1908	4199	2309	2279	1853	1759	7199
% of Total Orders		8.87	19.52	10.74	10.6	8.62	8.18	33.47
% of Total Orders - Cumulative		8.87	28.4	39.13	49.73	58.35	66.53	100
BST Subtotals N Orders		94347	47331	11065	9321	6662	3213	15831
% of Total Orders		50.25	25.21	5.89	4.96	3.55	1.71	8.43
% of Total Orders - Cumulative		50.25	75.45	81.35	86.31	89.86	91.57	100
		Same Day	1	2	3	4	5	>5
SC Residential								
Dispatched								
LCSC N Orders		8	6	3	27	34	24	

% of Total Orders	3.07	2.3	1.15	10.34	13.03	9.2	60.92
% of Total Orders - Cumulative	3.07	5.36	6.51	16.86	29.89	39.08	100
BST N Orders	89	116	121	125	684	196	2859
% of Total Orders	2.12	2.77	2.89	2.98	16.32	4.68	68.23
% of Total Orders - Cumulative	2.12	4.89	7.78	10.76	27.09	31.77	100
BST Residential Dispatched							
LCSC Subtotals N Orders	173	598	681	635	692	537	2003
% of Total Orders	3.25	11.24	12.8	11.94	13.01	10.1	37.66
% of Total Orders - Cumulative	3.25	14.5	27.3	39.24	52.25	62.34	100
BST Subtotals N Orders	1450	10937	14039	14083	13001	9903	35894
% of Total Orders	1.46	11.01	14.14	14.18	13.09	9.97	36.14
% of Total Orders - Cumulative	1.46	12.47	26.61	40.79	53.88	63.86	100
SC Business Non-Dispatched							
	Same Day	1	2	3	4	5	>5
LCSC N Orders	9	26	6	3	7	2	6
% of Total Orders	15.25	44.07	10.17	5.08	11.86	3.39	10.17
% of Total Orders - Cumulative	15.25	59.32	69.49	74.58	86.44	89.83	100
BST N Orders	1272	119	37	58	20	20	121
% of Total Orders	77.23	7.23	2.25	3.52	1.21	1.21	7.35
% of Total Orders - Cumulative	77.23	84.46	86.7	90.22	91.44	92.65	100
BST Business Non-Dispatched							
LCSC Subtotals N Orders	273	241	108	121	64	68	132
% of Total Orders	27.11	23.93	10.72	12.02	6.36	6.75	13.11
% of Total Orders - Cumulative	27.11	51.04	61.77	73.78	80.14	86.89	100
BST Subtotals N Orders	17566	2292	1076	700	516	330	2001

% of Total Orders	71.75	9.36	4.4	2.86	2.11	1.35	8
% of Total Orders - Cumulative	71.75	81.12	85.51	88.37	90.48	91.83	92
SC Business	Same Day	1	2	3	4	5	>5
Dispatched							
LCSC N Orders	38	43	15	18	12	4	12
% of Total Orders	26.76	30.28	10.56	12.68	8.45	2.82	8.45
% of Total Orders - Cumulative	26.76	57.04	67.61	80.28	88.73	91.55	100
BST N Orders	35	42	71	205	43	204	539
% of Total Orders	3.07	3.69	6.23	18	3.78	17.91	47.32
% of Total Orders - Cumulative	3.07	6.76	12.99	30.99	34.77	52.68	100
BST Business							
Dispatched							
LCSC Subtotals N Orders	649	842	365	267	236	140	618
% of Total Orders	20.82	27.01	11.71	8.57	7.57	4.49	19.55
% of Total Orders - Cumulative	20.82	47.83	59.54	68.11	75.68	80.17	99.72
BST Subtotals N Orders	701	2683	3985	2420	2263	1932	9611
% of Total Orders	2.97	11.37	16.89	10.26	9.59	8.19	40.73
% of Total Orders - Cumulative	2.97	14.34	31.23	41.49	51.08	59.27	100
Total Residential LCSC N Orders	2081	4797	2990	2914	2545	2296	9202
% of Total Orders	7.76	17.88	11.15	10.86	9.49	8.56	34.3
% of Total Orders - Cumulative	7.76	25.64	36.79	47.65	57.14	65.7	100
Total Residential BST N Orders	95797	58268	25104	23404	19663	13116	51725
% of Total Orders	33.37	20.3	8.74	8.15	6.85	4.57	18.02
% of Total Orders - Cumulative	33.37	53.67	62.41	70.56	77.41	81.98	100
Total Business LCSC N Orders	922	1083	473	388	300	208	750
% of Total Orders	22.36	26.26	11.47	9.41	7.27	5.04	18.19
% of Total Orders - Cumulative	22.36	48.62	60.09	69.5	76.77	81.81	100
Total Business BST N	18267	4975	5061	3120	2779	2262	11464

Orders							
% of Total Orders	38	10.35	10.53	6.49	5.78	4.71	24.15
% of Total Orders - Cumulative	38	48.34	58.87	65.36	71.14	75.85	100
SC Residential Non-Dispatched	Same Day	1	2	3	4	5	>5
LCSC T Orders	1	7	0	0	0	1	0
% of Total Orders	11.11	77.78	0	0	0	11.11	0
% of Total Orders - Cumulative	11.11	88.89	88.89	88.89	88.89	100	100
BST T Orders	1029	1215	564	501	415	199	1190
% of Total Orders	20.13	23.76	11.03	9.8	8.12	3.89	23.27
% of Total Orders - Cumulative	20.13	43.89	54.92	64.72	72.83	76.73	100
BST Residential Non-Dispatched							
LCSC Subtotals T Orders	110	170	62	56	28	14	15
% of Total Orders	24.18	37.36	13.63	12.31	6.15	3.08	3.3
% of Total Orders - Cumulative	24.18	61.54	75.16	87.47	93.63	96.7	100
BST Subtotals T Orders	16595	22983	11453	9865	7880	3975	20514
% of Total Orders	17.79	24.64	12.28	10.58	8.45	4.26	22
% of Total Orders - Cumulative	17.79	42.44	54.72	65.29	73.74	78	100
SC Residential Dispatched	Same Day	1	2	3	4	5	>5
LCSC T Orders	0	1	0	0	0	0	0
% of Total Orders	0	100	0	0	0	0	0
% of Total Orders - Cumulative	0	100	100	100	100	100	100
BST T Orders	32	43	67	50	381	89	1498
% of Total Orders	1.48	1.99	3.1	2.31	17.64	4.12	69.35

% of Total Orders - Cumulative	1.48	3.47	6.57	8.89	26.53	30.65	100
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BST
Residential
Dispatched

LCSC Subtotals T Orders	3	29	33	34	25	23	47
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% of Total Orders	1.55	14.95	17.01	17.53	12.89	11.86	24.23
% of Total Orders - Cumulative	1.55	16.49	33.51	51.03	63.92	75.77	100

BST Subtotals T Orders	549	3670	5770	5949	5755	4034	22138
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% of Total Orders	1.15	7.67	12.05	12.43	12.02	8.43	46.25
% of Total Orders - Cumulative	1.15	8.81	20.87	33.3	45.32	53.75	100

SC Business	Same Day	1	2	3	4	5	>5
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Non-Dispatched

LCSC T Orders	0	0	1	0	0	0	0
% of Total Orders	0	0	100	0	0	0	0
% of Total Orders - Cumulative	0	0	100	100	100	100	100

BST T Orders	30	12	13	11	5	3	24
% of Total Orders	30.61	12.24	13.27	11.22	5.1	3.06	24.49
% of Total Orders - Cumulative	30.61	42.86	56.12	67.35	72.45	75.51	100

BST
Business
Non-Dispatched

LCSC Subtotals T Orders	1	2	4	0	1	0	2
% of Total Orders	10	20	40	0	10	0	20
% of Total Orders - Cumulative	10	30	70	70	80	80	100

BST Subtotals T Orders	866	557	298	228	165	114	543
% of Total Orders	31.25	20.1	10.75	8.23	5.95	4.11	19.6
% of Total Orders - Cumulative	31.25	51.35	62.11	70.34	76.29	80.4	100

SC Business	Same Day	1	2	3	4	5	>5
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Dispatched

LCSC T Orders	0	0	0	0	0	0	1
% of Total Orders	0	0	0	0	0	0	100
% of Total Orders - Cumulative	0	0	0	0	0	0	100
BST T Orders	16	20	14	49	26	49	222
% of Total Orders	4.04	5.05	3.54	12.37	6.57	12.37	56.06
% of Total Orders - Cumulative	4.04	9.09	12.63	25	31.57	43.94	100
BST Business Dispatched							
LCSC Subtotals T Orders	2	4	9	5	3	11	18
% of Total Orders	3.85	7.69	17.31	9.62	5.77	21.15	34.62
% of Total Orders - Cumulative	3.85	11.54	28.85	38.46	44.23	65.38	100
BST Subtotals T Orders	242	905	1242	895	799	624	4416
% of Total Orders	2.65	9.92	13.61	9.81	8.76	6.84	48.4
% of Total Orders - Cumulative	2.65	12.57	26.19	36	44.76	51.59	100
Total Residential LCSC T Orders	113	199	95	90	53	37	6
% of Total Orders	17.41	30.66	14.64	13.87	8.17	5.7	9.5
% of Total Orders - Cumulative	17.41	48.07	62.71	76.58	84.75	90.45	10
Total Residential BST T Orders	17144	26653	17223	15814	13635	8009	4265
% of Total Orders	12.15	18.89	12.2	11.21	9.66	5.67	30.2
% of Total Orders - Cumulative	12.15	31.03	43.24	54.44	64.1	69.78	10
Total Business LCSC T Orders	3	6	13	5	4	11	2
% of Total Orders	4.84	9.68	20.97	8.06	6.45	17.74	32.2
% of Total Orders - Cumulative	4.84	14.52	35.48	43.55	50	67.74	10
Total Business BST T Orders	1108	1462	1540	1123	964	738	498
% of Total Orders	9.32	12.29	12.95	9.44	8.1	6.2	41.6
% of Total Orders - Cumulative	9.32	21.61	34.56	44	52.1	58.31	10

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Application by BellSouth Corporation,)	CC Docket No. 97-208
BellSouth Telecommunications, Inc.,)	
and BellSouth Long Distance, Inc., for)	
Competitive Provision of In-Region,)	
InterLATA Services in South Carolina)	

Reply Affidavit of Alphonso J. Varner
on Behalf of BellSouth

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Before the
FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)	
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Application by BellSouth Corporation,)	CC Docket No. 97-208
BellSouth Telecommunications, Inc.,)	
and BellSouth Long Distance, Inc., for)	
Provision of In-Region, InterLATA)	
Services in South Carolina)	

REPLY AFFIDAVIT OF ALPHONSO J. VARNER
ON BEHALF OF BELL SOUTH

STATE OF Georgia
COUNTY OF Fulton

Alphonso Varner, being first duly sworn upon oath, do hereby depose and state as follows:

1. My name is Alphonso J. Varner. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. I am employed by BellSouth Telecommunications as Senior Director for Regulatory for the nine state BellSouth region. Having provided an affidavit in BellSouth's initial 271 application before the FCC, I herein respond to comments received on that application.

I. PURPOSE OF AFFIDAVIT

2. The purpose of this affidavit is to address new allegations raised by parties in this proceeding regarding the means by which BellSouth has met the requirements of Section 252 (f) of the Telecommunications Act of 1996 ("the Act"), and other issues.

II. COMPETITIVE ENTRY ISSUES

A. Bona Fide Request Process

3. MCI alleges that BellSouth utilizes the Bona Fide Request process as an artificial delay technique to deter competition. (MCI Comments, pp. 67-68). Nothing could be further from the truth. In fact, MCI has not used the Bona Fide Request process to request any of the services, features or capabilities referred to in its comments. BellSouth implemented the Bona Fide Request process to handle requests for additional services, features and capabilities that are not required by the Act. The Bona Fide Request process encourages competition through the use of standard guidelines for responding to CLEC requests, thus ensuring timely responses regarding the feasibility and cost of such requests. The Bona Fide Request process was developed in conjunction with AT&T and is included in both AT&T's and MCI's interconnection agreements as a voluntarily negotiated item. These clearly defined guidelines are included in Attachment B of BellSouth's Statement of Generally Available Terms and Conditions ("Statement" or "SGAT").

4. When a CLEC submits a Bona Fide Request for a service, feature or capability that has been previously developed as a result of a Bona Fide Request for the CLEC, the CLEC will thereafter have access to that arrangement without resorting to a new Bona Fide Request if such request is made within a reasonable period of time. If the Bona Fide Request is for a service, feature, or capability that has been previously developed for another CLEC, the implementation timeframes for the requested service, quoted in accordance with the requirements of the Bona Fide Request process, would more than likely be shorter than when the original CLEC received the service.

B. Anticompetitive Behavior

5. American Communication Services, Inc. ("ACSI") has alleged that BellSouth has purposefully delayed installation of resale orders in South Carolina. (ACSI Opposition, pp. 10, 54-56). BellSouth cannot confirm or deny these allegations since insufficient information has been provided by ACSI. ACSI also has made several allegations that BellSouth activities prevent CLECs from freely competing for local customers. One of the complaints pertains to access to major office buildings, office parks and other properties. ACSI alleges that BellSouth has established entrances to all office buildings in the business district while ACSI has difficulty gaining access to some buildings due to limited space or requests for large sums of money to enter buildings. If any inequity exists here, it is attributable to the property owners, not BellSouth. BellSouth is not charging access fees to buildings, the property owners are. These fees are established by the property owner as a source of revenue derived from telecommunications companies. BellSouth has encountered some of these same situations in Florida

with regard to other CLECs. This is a feature of the marketplace, not only for ACSI, but for all telecommunications carriers.

6. ACSI also states that BellSouth's Property Management Services Agreement is anticompetitive. These standard agreements are voluntary agreements made between BellSouth and property managers. There is nothing to prevent ACSI from offering this same type of agreement if it so desires. Under the standard agreement, the property manager, acting as a type of sales agent, recommends BellSouth as the provider of choice. However, the agreement in no way excludes ACSI's entry into the building. Paragraph 10 of the standard agreement states "even though Property Management shall recommend BellSouth as the provider of choice for local telecommunications services to tenants, nothing in this Agreement shall be construed to preclude any building tenant from obtaining telecommunications services from others legally authorized to provide such service." ACSI can market to any of the tenants, the ultimate user of the service. In addition, the Property Management Agreement has a provision that if either party is dissatisfied with the agreement the contract can be terminated within 30 days, upon written notice, and the property manager simply loses incentive credits. It should be noted here that, in Florida, CLECs are entering into more restrictive agreements with property owners. In fact, BellSouth has been told by the property owners that it cannot serve customers on these properties or even come onto the properties.
7. ACSI further states that BellSouth has been requiring sales agents to sell BellSouth local services exclusively. (ACSI Opposition, pp. 55-56) Again, these

are voluntary arrangements between BellSouth and the sales agents. Use of sales agents is a common practice in the marketplace. BellSouth has used agents for many years to augment its own sales force. I understand ACSI recently purchased CyberGate, which is an authorized sales agency. Sound business practices dictate that such arrangements be exclusive to ensure that an agent cannot simply shift one company's customer base to another provider. BellSouth's use of such agreements certainly has not prevented ACSI from competing. BellSouth has only a handful of agents in South Carolina, and there are any number of agents available to ACSI should they wish to use them.

C. Miscellaneous

8. AT&T alleges that BellSouth has thwarted intraLATA competition by expanding its local calling areas and transforming what used to be intraLATA tolls calls into local calls (AT&T Comments, p. 71). Expanded local calling areas were established to meet the needs of BellSouth's end users, not to forestall competition. For decades end users have consistently expressed their desire to be able to place calls within their "community of interest" without incurring toll charges. Commissions have systematically expanded these areas and each of BellSouth's expanded calling plans has been approved by a Commission as a response to customer demands. Furthermore, CLECs have the same opportunity as BellSouth to compete for this local traffic.
9. AT&T further alleges that BellSouth has consistently opposed introducing competition of any kind into the intraLATA toll market. BellSouth has not opposed introducing intraLATA toll competition. In fact, in each proceeding

addressing this subject BellSouth has affirmatively stated that it is not opposed to intraLATA competition. BellSouth has aggressively sought to establish conditions to make fair competition in the intraLATA marketplace a reality. Unlike AT&T, which has incessantly attempted to keep its markets closed to BellSouth, our pro-competitive actions are a matter of public record. This is also a moot point since the Act mandates 1+ intraLATA upon exercising interLATA relief.

10. The “secret plan” which AT&T refers to is actually the Area Calling Plan (ACP) Principles document and is an agreement between LECs serving the state of South Carolina. The signatories of the ACP agreement included BellSouth, GTE, United and the South Carolina Telephone Coalition, which is an association of the smaller independent local carriers serving South Carolina. This agreement established principles to better manage requests for additional Extended Area Service (“EAS”) in South Carolina and established billing arrangements between companies offering certain extended area calling plans. The processes, which led to the development of the ACP Principles agreement, began in 1989 at the request of the South Carolina Public Service Commission. Despite AT&T’s misrepresentation, this intercompany EAS task force began the 1989 deliberations in advance of any considerations of intraLATA competition in South Carolina.
11. This allegation of AT&T, like many others presented in this proceeding, is simply an attempt to air grievances by AT&T, grievances which have already been considered and resolved by the proper regulatory agencies. AT&T made these same allegations in its intervention in BellSouth’s tariff filing for ACP service in

South Carolina. The South Carolina Public Service Commission ruled that the development of ACP service was at the directive of the SCPSC and was unrelated to the introduction of intraLATA toll competition.

12. It is odd that AT&T would claim that the ACP is unfair. Although not required to do so, BellSouth extended to all IXC's offering EAS plans the opportunity to participate in an ACP agreement identical in terms to that between the LECs. AT&T agreed to the acceptability of the ACP arrangement in a stipulation dated April 11, 1994 in SCPSC Docket No. 93-176-C. This stipulation is a matter of public record.

III. AVAILABILITY OF SERVICES ISSUES

A. Limitations

13. Sprint claims that BellSouth does not allow CLECs to combine local, intraLATA, toll and interLATA traffic on one-way or two-way interconnection trunk groups. (Sprint Petition, pp. 28-30) This issue was arbitrated in South Carolina and the SGAT reflects the decisions of the South Carolina Public Service Commission in arbitration proceedings. For trunk termination, BellSouth's approved South Carolina Statement offers CLECs interconnection at BellSouth tandems and/or end offices for the reciprocal exchange of local traffic. For trunk directionality, BellSouth offers routing of local and intraLATA traffic over a single one-way trunk group. Access traffic, as well as all other traffic utilizing BellSouth's intermediary tandem switching function, can be routed via a separate trunk group which is typically a two-way trunk group. There is a need to separate and identify

for billing purposes up to 12 types of traffic. For instance, traffic must first be identified as either originating or terminating, then for each of these, split between interstate and intrastate. Interstate and intrastate must be further broken down into interLATA and intraLATA traffic. Finally, intraLATA must be split between intraLATA and local traffic. Because of this obvious complexity, combining several types of traffic on the same trunk group is not practical and creates allocation factors that can not be supported. All of these arguments were made during the arbitration proceeding and were decided by the SCPSC. Sprint has not challenged that decision, but now attempts to use it as an excuse to prevent interLATA entry. At best, these are disingenuous assertions.

14. AT&T alleges that BellSouth fails to provide CLECs with the information needed to bill IXCs for access charges. (AT&T Comments, p. 10). The Optional Daily Usage File ("ODUF") does not currently contain the usage data which will allow a CLEC to bill an interexchange carrier for the provision of access. BellSouth is developing the capability to include this information as an enhancement to ODUF. Until ODUF has been enhanced, BellSouth will provide, upon request, this information in a non-electronic form which will enable a CLEC to bill for the provision of access, if permitted to do so.
15. MCI claims that BellSouth's SGAT does not provide implementation details for virtual or physical collocation. In my original affidavit at paragraphs 60-63, I discuss this topic. BellSouth's Collocation Handbook is referenced in BellSouth's approved SGAT and was attached to my original affidavit (Exhibit AJV-4). BellSouth's Collocation Handbook addresses the rates, terms and

conditions for providing physical collocation and is very similar to the content of the Master Collocation Agreement. The Master Collocation Agreement, as referenced in BellSouth's Collocation Handbook, is attached to this affidavit (Exhibit AJV-1). MCI's claim is belied by the fact that BellSouth has and is successfully implementing both virtual and physical collocation for IXCs and CLECs.

16. MCI states that BellSouth has informed MCI that it will not provide its entire directory assistance database, but only the listings for customers of BellSouth itself and selected independent local telephone companies. (MCI Comments, pp. 66- 67) BellSouth's position on this subject is clearly outlined in Mr. Milner's original affidavit (at ¶ 68). Specifically, BellSouth makes the listings of independent telephone companies available to CLECs as long as the local service provider has not expressly prohibited BellSouth from providing its listings. BellSouth believes it is appropriate to honor such requests from local service providers and believes this matter is between the CLEC and the local service provider that owns the listings.
17. MCI alleges that BellSouth does not ensure that CLEC NXX codes are loaded into the switches of all third parties when assigned. (MCI Comments, pp. 66-67). It is no more BellSouth's responsibility to assure that CLECs load NXX codes into their switches than it is MCI's responsibility. It is impossible for BellSouth to ensure that another party appropriately reacts to NXX information that carriers submit to Bell Communications Research, Inc. for inclusion in the Local Exchange Routing Guide (LERG). The LERG is the source for all

telecommunications providers to use to ensure that their switches are updated with information pertaining to newly assigned NXX codes, whether they be NXX codes for ILECs, CLECs or Mobile Service Providers. BellSouth does not own or direct these CLECs and cannot force them to update their switches. BellSouth can only assure MCI that it loads the NXX codes in the switches it controls.

18. The Paging and Narrowband PCS Alliance (“PNPA”) of the Personal Communications Industry Association asserts that BellSouth is violating section 251(b)(5) of the Act by charging a class of Commercial Mobile Radio Services (“CMRS”) providers (paging providers) for traffic originated on the LEC network. (Comments of PNPA, pp. 2-7). BellSouth is not in violation of section 251. Section 251(c)(1) imposes upon both BellSouth and a paging provider a duty to negotiate in good faith in accordance with section 252 of the Act the particular terms and conditions of agreements to fulfill the duties described in section 251(b)(5). Furthermore, section 252(a)(1) allows BellSouth, or an incumbent LEC, to negotiate and enter into a binding agreement with a requesting telecommunications carrier without regard to the standards set forth in subsections (b) and (c) of section 251. To date, BellSouth has not had a single request for such negotiation from a paging provider operating in South Carolina.
19. MCI complains that BellSouth will only pay reciprocal compensation to the CLEC at the end office termination rate even when the CLEC switch has the same functionality and geographic scope of a BellSouth tandem. (MCI Comments, pp. 65-66). If a call does not transit or terminate through a tandem switch, then it is not appropriate to pay reciprocal compensation for tandem switching. BellSouth

should compensate a CLEC for facilities and elements that it uses to terminate traffic on a CLEC's network, and likewise, the CLEC should compensate BellSouth for the facilities and elements that it uses for terminating traffic on BellSouth's network. This is a preposterous attempt by MCI to be compensated for cost of tandem interconnection when tandem interconnection is not provided.

B. Combinations of Unbundled Network Elements

20. Several parties allege that BellSouth is not in compliance with the Act as it pertains to combining unbundled network elements. (AT&T Comments, pp. 4, 13, 22, Comments of TRA, pp. 25-26, Comments of ACSI, pp. 23-24). The FCC rules requiring that ILECs provide combinations of network elements to the CLECs were vacated by the Eighth Circuit. BellSouth's Statement reflects the Eighth Circuit's decisions which do not require ILECs to combine the unbundled elements for requesting carriers, but do permit CLECs to recombine unbundled network elements in any manner they choose (Statement § II.F.). Whether BellSouth combines unbundled network elements is irrelevant in determining BellSouth's compliance with the checklist.
21. Under the SGAT, BellSouth does not generally offer to combine network elements. However, there are certain combined elements that BellSouth offers in order to fulfill its obligations under the SGAT. For example, BellSouth offers common transport. The only technically feasible method to offer common transport is to combine it with the port. Consequently, BellSouth will combine the port and common transport. The table below identifies these exceptions and indicates those combined elements for which order coordination is available.

22.

UNEs	Combine	Coordinate
Loop and Cross Connect	X	X
Port and Cross Connect	X	X
Port + Cross Connect + Common Transport	X	X
Loop Distribution + NID	X	X
Port and Vertical Features	X	X
Loops with loop concentration	X	X
Port and Common Transport	X	X
Loops and LNP	N/A	X

In states where the loop and NID are priced separately, a loop and NID combination and a loop, NID, cross connect combination will be offered. The price for each of these combinations is the sum of the individual element prices.

23. BellSouth has received requests from CLECs for additional network element combinations. BellSouth is evaluating the business viability and appropriateness of these requests to determine whether to provide these combinations, how they would be provided, and the price for combining the elements.

24. The FCC and states have already decided how BellSouth is to provide access to unbundled network elements (UNEs). The FCC rules require access to UNEs through physical and virtual collocation. BellSouth currently provides cross

connections to extend UNEs to a CLEC's physical collocation space. BellSouth has not been requested to provide other means of access to UNEs. If a CLEC requests other means of access or assistance in combining UNEs, the Bona Fide Request process is available to the CLEC.

25. The DOJ (page 22) states that a finding that BellSouth is offering "nondiscriminatory" access to UNEs cannot be made because BellSouth is not providing requesting carriers with supervised access to its network to allow them to do the work of combining the BellSouth network elements. There is no such requirement in the Act. The only obligation on the part of an ILEC in providing "access to unbundled network elements at the premises of the local exchange carrier" is the ILEC's duty to provide collocation. 47 U.S.C § 251(c)(6). If CLECs were entitled to unfettered access to an ILEC's network, as the DOJ suggests, the ILEC's duty to provide collocation at "just and reasonable" rates would be rendered meaningless. Furthermore, BellSouth believes that the potential risks involved to the public switched network by allowing CLECs to make connections on its equipment and facilities in the central office far outweigh any advantages to the CLECs. The central office is the heart of the public switched network. Not only do the communications for thousands of people and businesses come through a central office, but critical circuits for national security, public safety and emergencies, i.e., National Security and Emergency Preparedness, Department of Defense, Federal Aviation Administration, 911, fire and burglar alarms, are concentrated in the central offices. If these critical communications paths are not maintained or are disturbed, major economic and social harm can result. This is the reason BellSouth restricts access to its central

office equipment to the small number of individuals required to operate and maintain them.

26. BellSouth is able to protect its investment and customer proprietary information by holding its employees accountable. If access to this equipment is extended to CLECs, BellSouth will not be able to ensure this protection any longer. With non-BellSouth technicians making connections to BellSouth's equipment and facilities, increased troubles for all companies will be a given. CLEC personnel working in a central office could also eavesdrop on telephone conversations and identify law enforcement wire taps. Clearly, the integrity and reliability of the public switched network is best maintained by extending UNEs to physical collocation space, not through supervised access by CLECs to BellSouth's central offices. The DOJ's cavalier assertion that supervised access can be provided reflects a glaring lack of knowledge about the requirements to maintain a network.
27. The DOJ indicates further (footnote 32) that it has not reached a conclusion as to the requirements needed to ensure that UNEs may be combined, but that BellSouth has not addressed the issue sufficiently to satisfy the statutory requirement. BellSouth cannot even comment upon, let alone know how to satisfy, requirements that the DOJ itself does not bother to identify.
28. The DOJ's evaluation (page 16) indicates that BellSouth has failed to state adequately the terms and conditions under which it will provide UNEs so that they can be combined. The DOJ further indicates (page 18) that because BellSouth's initial SGAT did not permit competitors to combine UNEs to provide

a “finished service” there was no basis for presenting evidence on combining UNEs. This is not true. The fact that the initial SGAT did not allow combination of UNEs did not stop the intervening parties from raising the issue. In fact, much of Joseph Gillan’s testimony for AT&T, MCI and the South Carolina Competitive Carriers Association discussed the AT&T “platform configuration” – just another name for combining UNEs. Other AT&T witnesses also discussed the platform.

29. As the hearings on the SGAT and interLATA relief were completed prior to the 8th Circuit Court’s decision on combining of UNEs, the SCPSC granted parties an opportunity to comment (Order No. 97-684, Docket No. 97-101-C) on the impact of the decision in Iowa Utilities Board v. Federal Communications Commission, 1997 WL 403 401 (8th Circuit, July 18, 1997), on the initial SGAT filed and approved (with modifications) by the SCPSC. As a result, several parties, including AT&T and MCI, filed comments which addressed network element combinations on August 25, 1997. Also on August 25, 1997, BellSouth filed a revised SGAT to reflect the 8th Circuit’s decision. The SCPSC requested comments on this revised SGAT. The comments filed by the intervenors on September 5, 1997 included comments on the combination of UNEs.

30. Clearly the SCPSC gave the parties ample opportunity to state their positions on the combination of UNEs and the 8th Circuit’s decision. The fact that the SCPSC chose to approve the revised SGAT on September 9, 1997 does not negate the evidence on the record – only that the SCPSC did not find the arguments of AT&T, MCI and others compelling. The SCPSC approved the SGAT under Section 252(f) of the Act and found it to be in compliance with Section